

COMMONWEALTH OF KENTUCKY
NATURAL RESOURCES AND ENVIRONMENTAL
PROTECTION CABINET
DEPARTMENT FOR ENVIRONMENTAL PROTECTION
DIVISION OF WASTE MANAGEMENT
14 REILLY ROAD
FRANKFORT, KY 40601

CERTIFICATE OF INSURANCE
FOR
WASTE TIRE REGISTRANTS

Name and address of insurer (herein called the "insurer"):

Name and address of the insured (herein called the "insured"):

Registration covered: (Include facility name and address)

Registration no. _____

County _____

Face Amount of financial assurance: \$ _____

Policy Number: _____

Effective date: _____

The insurer hereby certifies that it has issued to the insured the policy of insurance to provide financial assurance for "closure" as indicated for the facility identified above. The insurer further warrants that such policy conforms in all respects with the requirements set forth below and with KRS 224, Subchapter 50, as such statutes and forms are constituted on the date shown below. It is agreed that any provision of the policy inconsistent with such regulations is hereby amended to

eliminate such inconsistency.

Whenever requested by the Natural Resources and Environmental Protection Cabinet, the insurer agrees to furnish to the Cabinet a duplicate original of the policy listed above, including all endorsements thereon.

Requirements for Insurance policies for Waste Tire Registrants under KRS Chapter 224, Subchapter 50, and DEP Form 7101I (6-98).

(1) The owner of a waste tire registration may provide an insurance policy to demonstrate the financial assurance for closure and corrective action, (if required) at the site. The owner (insured) shall submit a copy of the insurance policy, an executed copy of DEP Form 7101I and a Performance Bond on DEP Form 7101D in accordance with KRS 224, Subchapter 50, to the Cabinet for approval prior to this method of financial assurance being accepted.

(2) The insurer expressly acknowledges that an owner's liability for closure and corrective action under waste tire registration is set forth in KRS 224, Subchapter 50, and the Performance Bond on DEP Form 7101D and that an owner will not be released from closure obligations if further corrective action is needed at the facility.

(3) The insurance policy shall be issued for a face amount at least equal to the current financial assurance amount required under KRS 224, Subchapter 50. The term "face value" refers to the total amount the insurer is obligated to pay under the policy. The insurance policy shall guarantee that the "face amount" will be available to close the waste tire facility when closure and any necessary corrective action occurs.

(4) An insurance policy shall contain a provision allowing assignment of the policy to a successor owner (insured). This assignment may be conditional upon consent of the insurer, provided the consent is not unreasonably refused.

(5) The insurance policy shall provide that the insurer may not cancel, terminate or fail to renew the policy except for failure to pay the premium. The automatic renewal of the policy shall, at a minimum, provide the insured with the option of renewal at the face amount of the expiring policy. If there is a failure to pay the premium, the insurer may cancel the policy by sending notice of the cancellation by certified mail to the owner (insured) and to the Cabinet 120 days or more in advance of the cancellation. Cancellation, termination, or failure to renew shall not occur, and the policy shall remain in force, if on or before the date of expiration:

- (a) Closure is ordered by the Cabinet or a court of competent jurisdiction;
- (b) The permittee is named as debtor in a voluntary or involuntary bankruptcy proceeding

under Title 11 U.S. Code; or

(c) The premium is paid.

(6) If the insurer cancels the policy, the owner of the waste tire facility shall obtain by the effective date of the cancellation, alternate financial assurance as specified in KRS Chapter 224, Subchapter 50.

(7) The owner (insured) may cancel the insurance policy only if alternate financial insurance is substituted and approved by the Cabinet, as specified in KRS Chapter 224, Subchapter 50, or if the owner (insured) is no longer required to demonstrate financial assurance in accordance with KRS Chapter 224, Subchapter 50.

(8) The insurer shall be licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one (1) or more states of the United States of America.

I hereby certify that the wording of this certificate is identical to the working specified on DEP Form 7101I (6-98).

[Authorized signature for insurer]

[Name of person signing]

[Title of person signing]

Signature of witness or notary

[Date]